Exploration of oil and gas by GSPCL

2429. SHRI KANJIBHAI PATEL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the State Government of Gujarat has made a request for allocation of Blocks for exploration of Oil and Gas to the Gujarat State Petroleum Corporation Ltd. on nomination basis in the areas of Saurashtra and Kutch Regions of the State; and

(b) if so, the action taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Yes, Sir.

(b) Under New Exploration Licensing Policy (NELP), launched in 1997, the Government of India adopted international competitive bidding system for offering acreages for exploration and production of oil and gas in the country. NELP has provided a level playing field wherein bids are invited from private and public sector companies—both Indian as well as foreign.

Even National Oil Companies, *viz.* Oil and Natural Gas Corporation (ONGC), Oil India Ltd. (OIL) etc. are not awarded blocks on nomination basis as they have to compete with other private/public sector companies under NELP. Therefore, it would not be possible to allocate any block to Gujarat State Petroleum Corporation (GSPC) on nomination basis.

Sale of gas to fertilizer industry

2430. SHRI VIJAY J. DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that ONGC, British Gas and Reliance Industries Consortium pumps 17 million cubic-meter per day of Gas from the Panna-Mukta-Tapti fields given to them before introduction of auctioning acreages system;

(b) if so, whether in view of this availability of Gas why fertilizer industry is being forced to meet gas shortage by using costly naphtha or LNG from spot market; and

(c) whether it is due to lack of foresight when the Ministry finalized terms and conditions while allotting Panna-Mukta-Tapti fields to this consortium?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Presently 17.3 Million Standard Cubic Meters per day (mmscmd) of natural gas is being supplied from the Panna-Mukta-Tapti (PMT) fields.

(b) and (c) The demand of natural gas in the country is more than the availability. However, priority is being given to supply of natural gas to fertilizer plants including from PMT fields.

Assured supply of oil and gas

2431. SHRI VIJAY J. DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Gas Authority of India Limited (GAIL) and Oil India Limited (OIL) are examining the possibility of joint bidding for overseas exploration blocks;

(b) whether Government would introduce a mandatory clause in such agreements that a specified quantity of crude and gas thus explored, is sold to India at a pre-agreed formula-based concessional price to meet our growing requirement of petroleum products; and

(c) if so, what other steps Government is adopting to develop our capabilities of meeting our maximum requirement from indigenous sources coupled with assured supplies from abroad?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Gas Authority of India Limited (GAIL) and Oil India Limited (OIL) have entered into an MOU on 27th December, 2007, whereby both parties have agreed to jointly examine E&P opportunities overseas.

(b) No, Sir. The E&P acreages are offered to contractors by various countries generally through bidding rounds. The winner of the acreage has to enter into contractual agreements with the host government. These contracts amongst other things also deal with disposal of petroleum and its pricing mechanism.

(c) Several steps have been taken/are in hand to accelerate hydrocarbon exploration and production activities to meet our maximum requirement from indigenous sources, which include the following:

(i) Carving out more and more areas for exploration for offer under various rounds of New Exploration Licensing Policy (NELP).

(ii) Quicker development of discovered reserves for enabling commencement of production.

(iii) Use of stimulation techniques for increasing production from existing fields.

(iv) Application of Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) techniques for increasing recovery factor from existing fields.

(v) Arresting decline from ageing fields.

(vi) Acquisition of exploration acreages and producing properties overseas to bring in equity oil.

(vii) Substitution of oil through use of non-conventional source of energy such as bio-diesel, ethanol, etc.

(viii) Extraction of gas from gas hydrates under National Gas Hydrates Programme (NGHP) by evolving suitable production technology.

Expenditure for promotion of petrol and diesel

2432. SHRI KAMAL AKHTAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the total amount spent by the public sector oil companies for the promotion of petrol and diesel through the electronic media during the last three months starting from November, 2007, PSU-wise and media-wise;

(b) whether saving of fossil fuels is a policy of Government;

(c) if so, whether the advertisement in the media will enhance the wastage of fuels;

(d) whether the youth will experiment on the driving styles as appeared on the advertisements; and

(e) if so, what is Government's reaction thereto?